LIBRARY
SUPREME COURT, U. S.

Office-Supreme Court, U.S.
FILED
JAN 17 1964
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1963

No. 770 Miscellaneous

BETHLEHEM STEEL COMPANY, *Petitioner*,

v.

CHARLES T. SAMUELSON, *Respondent*.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

W. BROWN MORTON, JR.
425 13th Street, N. W.
Washington, D. C. 20004

STANTON T. LAWRENCE, JR.
247 Park Avenue
New York, N. Y. 10017

PRESS OF BYRON S. ADAMS, WASHINGTON, D. C.

INDEX

	Page
Citations to Opinions Below	1
Jurisdiction	2
Questions Presented	2
Constitutional and Statutory Provisions Involved	3
Statement of the Case	5
Reasons for Granting the Writ	9
Outline	9
Argument	10
Reason 1	10
Reason 2	12
Reason 3	21
Conclusion	22
Appendix	1a
Opinion of Court of Appeals	1a
Judgment of Court of Appeals	15a
Opinion Letter of District Court	17a

CITATIONS

Cases:

Adams v. Columbus Manufacturing Co., 180 F. Supp. 921, 920 (M.D. Ga. 1960)	13
Adamson v. Gillilan, 242 U.S. 350, 353 (1917)	16
A. & P. Tea Co. v. Supermarket Corp., 340 U.S. 147 (1950)	20
Cameron Iron Works v. Stekoll, 242 F. 2d 17, 20 (5th Cir. 1957)	12, 13, 21
Cantrell v. Wallick, 117 U.S. 689, 696 (1886)	15
Coffin v. Ogden, 18 Wall. 120, 124 (U.S. 1873)	15
Deering v. Winona Harvester Works, 155 U.S. 286, 300 (1894)	16

	Page
Exhibit Supply Co. v. Ace Corp., 315 U.S. 126, 128 (1942)	11
Fairchild v. Poe, 259 F. 2d 329, 331 (5th Cir. 1958)	12
Graver Mfg. Co. v. Linde Co., 339 U.S. 605 (1950)	21
Gross v. JFD Manufacturing Co., 314 F. 2d 196 (2 Cir. 1963)	19
James B. Clow & Sons, Inc. v. United States Pipe & Foundry Co., 313 F. 2d 46 (5 Cir. 1963)	13
Jeoffroy Mfg. v. Graham, 219 F. 2d 511, 519 (5th Cir. 1955)	13, 20
Mahn v. Harwood, 112 U.S. 254, 358 (1884)	19
Morgan v. Daniels, 153 U.S. 120, 125 (1894)	16
Mumm v. Decker & Sons, 301 U.S. 168 (1937)	14
Muncie Gear Co. v. Outboard Co., 315 U.S. 759 (1942)	10
Radio Corp. v. Radio Laboratories, 293 U.S. 1, 7 (1934)	16
Rothe v. Ford Motor Company, 253 F. 2d 353, 355 (D.C. Cir. 1959)	19
Samuelson v. Bethlehem Steel Company, 323 F. 2d 944, 139 U.S.P.Q. 25 (5 Cir. 1963)	1
Schriber Co. v. Cleveland Trust Co., 305 U.S. 47, 50 (1938)	11
Slip Scarf Co. v. William Filene's Sons Co., 289 Fed. 641, 648 (1 Cir. 1923)	17
The Barbed Wire Patent, 143 U.S. 275, 284 (1892)	16
United States Pipe & Fdry. Co. v. James B. Clow & Sons, Inc., 205 F. Supp. 140, 152 (N.D. Ala. 1962)	13
Universal Incorporated v. Kay Manufacturing Corp., 301 F. 2d 140, 148 (4 Cir. 1962)	15

CONSTITUTION OF THE UNITED STATES:

Art. 1, Sec. 8	3

STATUTES:

28 U.S.C. § 1254	2
§ 1338(a)	5
35 U.S.C. § 100	3
§ 101	3
§ 102	4, 19
§ 103	5, 19
§ 282	2, 5, 12, 19

IN THE

Supreme Court of the United States

OCTOBER TERM, 1963

No. , Miscellaneous

BETHLEHEM STEEL COMPANY, *Petitioner*,

v.

CHARLES T. SAMUELSON, *Respondent*.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

Bethlehem Steel Company prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Fifth Circuit entered in the above-entitled case on September 27, 1963.

CITATIONS TO OPINIONS BELOW

The opinion of the Court of Appeals is reported as *Samuelson* v. *Bethlehem Steel Company*, 323 F.2d 944, 139 U.S.P.Q. 25 (5 Cir. 1963), and reverses an unreported decision of the United States District

Court for the Eastern District of Texas. Copies of the opinions of both courts below are printed in the Appendix hereto.

JURISDICTION

The decision and opinion of the Court of Appeals were announced on September 27, 1963 and the judgment thereon, a copy of which is printed in the Appendix hereto, was entered the same day.

An order denying a petition for rehearing was entered on December 11, 1963, and on December 18, 1963 an order was entered staying the issue of the mandate of the Court of Appeals for a period of thirty days, the stay to continue in force until the final disposition of the case by this Court, provided that within thirty days from December 18, 1963 there shall be filed with the Clerk of the Court of Appeals the certificate of the Clerk of this Court that this certiorari petition and record have been filed.

The jurisdiction of this Court to review the judgment of the Court of Appeals herein by writ of certiorari is conferred by 28 U.S.C. § 1254.

QUESTIONS PRESENTED

1. Does the presumption of validity conferred upon a patent by 35 U.S.C. § 282 impose upon a defendant in a patent infringement action, relying upon a defense of obviousness of the asserted invention in the light of prior patents, publications, and other documents of undisputed authenticity, the burden of establishing invalidity of the patent with the same degree of certainty required to sustain a criminal conviction, that is, "beyond a reasonable doubt"?

2. Is a judgment of non-infringement based upon a finding of non-equivalence reached by a trial judge through resolution of conflicting explanations and descriptions by qualified technical experts of complex engineering facts concerning structure and mode of operation of massive marine apparatus properly reversed as a matter of law by a court of appeals?

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Constitution of the United States:

ART. 1, SEC. 8. The Congress shall have power . . . To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.

United States Code, Title 35—Patents:

§ 100. DEFINITIONS

When used in this title unless the context otherwise indicates—

(a) The term "invention" means invention or discovery. * * *

§ 101. INVENTIONS PATENTABLE

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

§ 102. CONDITIONS FOR PATENTABILITY; NOVELTY AND LOSS OF RIGHT TO PATENT

A person shall be entitled to a patent unless—

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or

(c) he has abandoned the invention, or

(d) the invention was first patented or caused to be patented by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application filed more than twelve months before the filing of the application in the United States, or

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or

(f) he did not himself invent the subject matter sought to be patented, or

(g) before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it. In determining priority of invention there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the rea-

sonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.

§ 103. CONDITIONS FOR PATENTABILITY; NON-OBVIOUS SUBJECT MATTER

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

§ 282. PRESUMPTION OF VALIDITY; DEFENSES

A patent shall be presumed valid. The burden of establishing invalidity of a patent shall rest on a party asserting it.

STATEMENT OF THE CASE

This is a civil action for patent infringement and the jurisdiction of the district court is conferred by 28 U.S.C. § 1338(a).

Complaint (R. 6) was filed on June 24, 1958 by Charles T. Samuelson, a retired professional shipbuilding engineer (R. 48-60), alleging infringement of United States Letters Patent No. 2,589,146 (R. 635), granted him on March 11, 1952 for an alleged invention of a Submersible Deepwater Drilling Apparatus, by the making and selling of a multi-million dollar mobile rig for drilling for tidelands oil in the Gulf

of Mexico (R. 60). The accused rig, named "Mr. Gus II", was designed and built by Bethlehem Steel Company in its shipyard at Beaumont, Texas in 1956-57 (R. 448-449).

The patent in suit relates generally to mobile off-shore oil drilling structures to be floated to a drilling site, set up for a drilling operation, and after the drilling operation is completed, re-floated for the purpose of relocating the structure at a new drilling site. Its asserted claims 1 and 10 define specifically a particular form of such a structure.

The trial judge succinctly described the accused rig, Mr. Gus II, in his Finding of Fact 29 (R. 610), and the Court of Appeals adopted his description (Appendix, *infra*, p. 4a). Petitioner cannot improve on this précis.

The Court of Appeals summarized Bethlehem's contentions about the relationship of Mr. Gus II and the patent in suit to the prior art in its opinion (Appendix, *infra*, pp. 4a-5a). Petitioner cannot improve on this summarization.

Mobile off-shore drilling rigs of the type involved in this action are taller than a 20-story building, cover more than four-fifths of an acre of the Gulf floor, and weigh as much as an ocean freighter (nearly 10,000 tons) (R. 456; 709). They are suitable for use only in areas where the depth of water, the soil conditions, and the topography of the ocean floor are such as exist in the Gulf of Mexico (R. 256; 443). Rigs of this sort have been used within the jurisdiction of the United States only in the Gulf coast tidelands, which are wholly within the territorial confines of the Fifth Judicial Circuit. Such structures are not used, and will not be used in the foreseeable future, in any other

geographical areas of the United States, its territories, or possessions.

The trial before the United States District Court for the Eastern District of Texas at Beaumont took five days. Plaintiff testified in his own behalf and introduced the testimony of an expert naval architect to explain his patent and his concept of the engineering significance of the structure and mode of operation of Mr. Gus II. Defendant urged the twin defenses of invalidity and non-infringement, the latter depending, of course, upon the valid scope, if any, accorded the asserted claims. In support of these defenses defendant proved the prior art by patents and publications, American, British, and Soviet Russian, and by contemporaneous private documents, all of undisputed authenticity and dating. It relied on the testimony of the designer of Mr. Gus II, two heads of college engineering departments who had practical experience in the off-shore field, and two practicing engineers in that field to explain its concept of the engineering significance of the patent, the prior art, and Mr. Gus II.

In all the testimony of seven witnesses went into the record, all except one appearing in person. Every witness was a professional engineer who had worked actively in the off-shore field. The trial judge, who heard the witnesses, after long consideration of the record, was able to weigh and compare the prior art, the structure and mode of operation of Mr. Gus II, and the specific claims of the patent asserted to be infringed. He concluded that the state of the art predating the plaintiff's invention foreclosed a broad interpretation of those claims and held that, while the asserted claims were narrowly valid, they were not infringed (R. 597).

The judgment of the Court of Appeals (Appendix, *infra*, pp. 15a-16a) reversed the holding of the District Court in these terms:

> "On Consideration Whereof, It is now ordered and adjudged by this Court that the judgment of the said District Court in this cause be, and the same is hereby, reversed; and that this cause be, and it is hereby remanded to the said District Court for a *finding* of infringement in accordance with the opinion of this Court [Emphasis added.];"

The opinion reflects material errors of the Court of Appeals concerning the structures and modes of operation of the patented, the prior art, and the accused devices, errors not made by the trial court.

The Court of Appeals not only reversed the District Court holding with respect to infringement, but also its holding as to the valid scope of the claims, since, in his Opinion Letter of December 29, 1961 (Appendix, *infra*, pp. 18a-19a), Judge Fisher had said:

> "Further, the Court agrees with Defendant that there does not appear to be any reasonable interpretation of Plaintiff's claim broad enough to encompass Mr. Gus II and yet, narrow enough to avoid the prior art."

In reaching its conclusion that the claims of the patent in suit were broadly valid, and thus expanding the limited scope of validity accorded it by the District Court, the Court of Appeals proceeded upon the stated belief:

> "Any reasonable doubt will be resolved against the party alleging the invalidity of a patent." (Appendix, *infra*, p. 6a).

REASONS FOR GRANTING THE WRIT

Outline

1. No conflict of decision between courts of appeals involving the validity and infringement of the patent in suit will ever arise as a practical matter since the particular branch of the industry affected is confined to the Fifth Circuit.

2. The Court of Appeals for the Fifth Circuit has built up an anomalous body of case law, culminating in the decision of this case on the stated basis:

> "Any reasonable doubt will be resolved against the party alleging the invalidity of a patent."

This body of law is clearly in conflict with the applicable decisions of this Court and contemporaneous decisions of other Courts of Appeals and District Courts. Continued application of this erroneous body of law can only result in the Fifth Circuit becoming a haven for owners of patents of doubtful validity.

3. There is a further conflict between the decision in this case, which follows other recent decisions of the Court of Appeals for the Fifth Circuit, and decisions of this Court and the other Courts of Appeals establishing the rule governing reversal of a determination of non-infringement by a district court. In these cases the Court of Appeals for the Fifth Circuit has, in conflict with the established rule, reversed specific findings of a trial court, based on conflicting testimony of qualified experts, that certain elements of an accused structure are not technically equivalent to allegedly corresponding elements of a claimed combination, and directed the entry of a finding on the issue of infringement.

ARGUMENT

Reason 1. No conflict of decision between courts of appeals involving the validity and infringement of the patent in suit will ever arise as a practical matter since the particular branch of the industry affected is confined to the Fifth Circuit.

No citation of authority is necessary in this Court to sustain the proposition that the Gulf Coast tidelands oil production industry is one of national importance.

It is a fact that the most prolific of these tidelands oil regions are off the coast of Louisiana in areas in which soil conditions make rigs of the type here involved especially useful (R. 256; 443) and it is a further fact that the Gulf Coast continental shelf is characterized by an essentially flat floor (R. 424-425). Although there is extensive production of oil off the California coast from wells located under the Pacific Ocean, that coast is notoriously rocky and steeply shelving and rigs of the type here involved have not been used and are not suitable for use there.

The legal significance of these facts upon this petition has been several times referred to by this Court in connection with writs of certiorari granted in patent cases.

In *Muncie Gear Co.* v. *Outboard Co.*, 315 U.S. 759 (1942), Mr. Justice Jackson, speaking for the Court, said, at pages 765-766:

> "... While there was no conflict of decision with respect to these claims, we granted certiorari in view of the questions presented and because the patent dominates a substantial portion of an industry so concentrated in the Seventh Circuit that litigation in other circuits, resulting in a conflict of decisions, is unlikely. 314 U.S. 594."

He was restating a position that had been twice earlier well stated by Mr. Chief Justice Stone, thus:

In *Exhibit Supply Co.* v. *Ace Corp.*, 315 U.S. 126, 128 (1942):

> ". . . Although there is no conflict of decision, we were moved to grant the petition by the nature of the questions presented, together with a showing that the industry affected by the patent is located in the seventh circuit so that litigation in other circuits resulting in a conflict of decision would not be likely to occur."

In *Schriber Co.* v. *Cleveland Trust Co.*, 305 U.S. 47, 50 (1938):

> "Petition for certiorari raising the question, among others, whether the Court of Appeals had erred in holding patentable a combination including one element not described in the original application for the Gulick patent and later added to it by amendment, and not described at all in the Maynard patent, was at first denied, there being no conflict of decision. 303 U.S. 639. We later granted certiorari, 304 U.S. 587, on a petition for rehearing showing that, notwithstanding the doubtful validity of the patents, litigation elsewhere with a resulting conflict of decision was improbable because of the concentration of the automobile industry in the sixth circuit."

A conflict of decision in this case is improbable because of a concentration of the off-shore drilling industry in the Fifth Circuit.

Reason 2. The Court of Appeals for the Fifth Circuit has built up an anomalous body of case law, culminating in the decision of this case on the stated basis:

> **"Any reasonable doubt will be resolved against the party alleging the invalidity of a patent."**

This body of law is clearly in conflict with the applicable decisions of this Court and contemporaneous decisions of other Courts of Appeals and District Courts. Continued application of this erroneous body of law can only result in the Fifth Circuit becoming a haven for owners of patents of doubtful validity.

The interpretation of 35 U.S.C. § 282 into which the Court of Appeals for the Fifth Circuit has fallen erroneously clearly appears from the following quotations:*

a. *Fairchild* v. *Poe*, 259 F. 2d 329, 331, (5th Cir. 1958), where the court said:

> "... Of course, there is a presumption of validity which attends the grant of letters patent by the Patent Office, but this presumption can be overcome *if invalidity is proved beyond a reasonable doubt.*"

b. *Cameron Iron Works* v. *Stekoll*, 242 F. 2d 47, 20 (5th Cir. 1957), where the Court said:

> "... Other factors strongly influencing, and which we think are supportive of our conclusion that the patent is valid, are: (1) the presumption of validity which attends the grant of a patent by the Patent Office; (2) the rule that the burden of establishing invalidity of a patent shall rest on the party asserting it and that *any reasonable doubt will be resolved against him*, 35 U.S.C. § 282;".

---

* Emphasis supplied.

c. *Jeoffroy Mfg.* v. *Graham*, 219 F. 2d 511, 519 (5th Cir. 1955), where the Court said:

> ". . . Other factors strongly influencing and, we think, reinforcing our conclusion as to the validity of 798 are: (1) that 'presumption of validity' which attends the grant of a patent by the Patent Office where, as here, it appears to have fully considered and distinguished the very prior art patents here principally relied upon as anticipation (Southern States Equip. Corp. v. USCO Power Equip. Corp., supra?; (2) the rule that the burden of proof of invalidity is on the party seeking to upset a patent's prima facie validity from issuance, and that *any reasonable doubt will be resolved against him*;".

Not surprisingly, this error on the part of their Court of Appeals has led the District Courts located in the Fifth Circuit into parallel error. For example, District Judge Bootle, in reliance on *Cameron Iron Works* v. *Stekoll*, *supra*, ruled in *Adams* v. *Columbus Manufacturing Co.*, 180 F. Supp. 921, 930 (M.D. Ga. 1960):

> "The presumption of validity is statutory, 35 U.S.C.A. sec. 282, and the rule is that the burden of establishing invalidity of a patent shall rest on the party asserting it, and that *any reasonable doubt will be resolved against the party asserting invalidity.*"

A more recent example of the influence of the error is to be found in *United States Pipe & Fdry. Co.* v. *James B. Clow & Sons, Inc.*, 205 F. Supp. 140, 152 (N.D. Ala. 1962). This case was affirmed by the Fifth Circuit without discussion of this point *James B. Clow & Sons, Inc.* v. *United States Pipe & Foundry Co.*, 313 F. 2d 46 (5 Cir. 1963).

The error of the Court of Appeals for the Fifth Circuit stems from a misconstruction of a decision of this Court in *Mumm* v. *Decker & Sons*, 301 U.S. 168 (1937). That case involved only the sufficiency of a complaint for patent infringement in which there was no affirmative allegation that the patentee had met each of the conditions of patentability imposed by statute. In ruling on this, Mr. Chief Justice Hughes said for the Court at page 171:

> "This construction is decisive of the present question. In a suit for infringement of a patent it is not a part of the plaintiff's case to negative prior publication or prior use or the other matters to which R.S. 4886 and 4887 refer. These are matters of affirmative defense. As this Court said in *Cantrell* v. *Wallick*, 117 U.S. 689, 695, 696: 'For the grant of letters patent is *prima facie* evidence that the patentee is the first inventor of the device described in the letters patent and of its novelty. *Smith* v. *Goodyear Dental Vulcanite Co.*, 93 U.S. 486; *Lehnbeuter* v. *Holthaus*, 105 U.S. 94.' The issue of the patent is enough to show, until the contrary appears, that all the conditions under which a discovery is patentable in accordance with the statutes have been met. Hence, the burden of proving want of novelty is upon him who avers it. Walker on Patents, § 116. Not only is the burden to make good this defense upon the party setting it up, but his burden is a heavy one, as it has been held that 'every reasonable doubt should be resolved against him.' *Id.*, *Cantrell* v. *Wallick*, *supra*; *Coffin* v. *Ogden*, 18 Wall. 120, 124; *Barbed Wire Patent*, 143 U.S. 275, 284, 285; *Adamson* v. *Gilliland*, 242 U.S. 350, 353. What must be so completely established by the defendant cannot be regarded as a part of the plaintiff's case which is to be set forth in his bill under the Equity Rule."

The quotation taken by Mr. Chief Justice Hughes from *Cantrell* v. *Wallick*, 117 U.S. 689, 696 (1886) was in itself a quotation taken from *Coffin* v. *Ogden*, 18 Wall. 120, 124 (U.S. 1873). The true rule intended to be reflected by this "chain quotation" was analyzed with customary clarity by Circuit Judge Soper in one of his last patent opinions, *Universal Incorporated* v. *Kay Manufacturing Corp.*, 301 F. 2d 140, 148 (4 Cir. 1962) where he said:

> "The plaintiff is also entitled to the benefits of the statute, 35 U.S.C. 282, which declares that a patent issued by the Patent Office shall be presumed valid and places the burden of establishing invalidity on the party asserting it. We do not think as the plaintiff contends that an infringer must prove invalidity beyond a reasonable doubt. The cases on which the plaintiff relies for this rule, to wit: Mumm v. Jacob E. Decker & Sons, 301 U.S. 168, 33 USPQ 247, and Radio Corporation of America v. Radio Engineering Laboratories, 293 U.S. 1, 21 USPQ 353, *were cases in which priority of discovery of the same invention was the issue rather than invalidity by reason of relevant disclosures of the prior art.*" [Emphasis added.]

The correctness of Judge Soper's analysis is amply borne out by examination of the decisions. The issue in *Cantrell* v. *Wallick*, *supra*, turned on the oral testimony of witnesses and as the Court observed it was a *prior use* which the defendants had "failed to show by preponderance of proof, much less beyond reasonable doubt", 117 U.S. 689, 695-6. In *Coffin* v. *Ogden*, *supra*, a prior use of a lock made by one Erbe was the issue and about the proof of that lock the Court had this to say:

> "Here it is abundantly proved that the lock originally made by Erbe was complete and cap-

> able of working.' The priority of Erbe's invention is clearly shown. It was known at the time to at least five persons, including Jones, and probably to many others in the shop where Erbe worked; and the lock was put in use, being applied to a door, as proved by Brossi. It was thus tested and shown to be successful. These facts bring the case made by the appellees within the severest legal tests which can be applied to them." 18 Wall. 120, 125.

Other cases of this Court involving the point at issue are *The Barbed Wire Patent*, 143 U.S. 275, 284 (1892); *Morgan* v. *Daniels*, 153 U.S. 120, 125 (1894); *Deering* v. *Winona Harvester Works*, 155 U.S. 286, 300 (1894); *Adamson* v. *Gilliland*, 242 U.S. 350, 353 (1917); and *Radio Corp.* v. *Radio Laboratories*, 293 U.S. 1, 7 (1934).

In every one of these cases, that which the defendant was properly required to prove beyond a reasonable doubt was the fact of the prior existence of the thing he relied upon to constitute the prior art. In not one of these cases was the issue of "invention over the sufficiently proved prior art", *i.e.* the issue of whether or not the claimed invention would have been obvious to the man skilled in the art at the time it was made, held to be subject to any such burden.

The reason for the rule is stated in *The Barbed Wire Patent*, *supra*, at pages 284-5:

> "... We have now to deal with certain unpatented devices, claimed to be complete anticipations of this patent, the existence and use of which are proven only by oral testimony. In view of the unsatisfactory character of such testimony, arising from the forgetfulness of witnesses, their lia-

> bility to mistakes, their proneness to recollect things as the party calling them would have them recollect them, aside from the temptation to actual perjury, courts have not only imposed upon defendants the burden of proving such devices, but have required that the proof shall be clear, satisfactory and beyond a reasonable doubt. Witnesses whose memories are prodded by the eagerness of interested parties to elicit testimony favorable to themselves are not usually to be depended upon for accurate information. The very fact, which courts as well as the public have not failed to recognize, that almost every important patent, from the cotton gin of Whitney to the one under consideration, has been attacked by the testimony of witnesses who imagined they had made similar discoveries long before the patentee had claimed to have invented his device, has tended to throw a certain amount of discredit upon all that class of evidence, and to demand that it be subjected to the closest scrutiny. Indeed, the frequency with which testimony is tortured, or fabricated outright, to build up the defence of a prior use of the thing patented, goes far to justify the popular impression that the inventor may be treated as the lawful prey of the infringer. The doctrine was laid down by this court in *Coffin* v. *Ogden*, 18 Wall. 120, 124, that 'the burden of proof rests upon him,' the defendant, 'and every reasonable doubt should be resolved against him.''

Other Circuits which have grappled with this problem have not been led into the error that pervades the recent Fifth Circuit Court of Appeals case law.

As long ago as 1923, the First Circuit Court of Appeals in *Slip Scarf Co.* v. *William Filene's Sons Co.*, 289 Fed. 641, 648 (1 Cir. 1923) had occasion to analyze the character of proof necessary to sustain the defense

of non-invention in passing on a charge to the jury. It ruled:

> "An exception was also taken by the plaintiff to the following portion of the charge, on the ground that it failed to properly state the character of proof necessary to sustain the defense of noninvention:
>
> 'When it comes to invalidating the patent for lack of invention—that is, because the step is nothing but a skilled workman's step—there the burden is still upon the defendant to satisfy you that the patent does not involve invention; but there it is sufficient if they satisfy you by a fair preponderance of the evidence. * * * If they satisfy you to that effect, as I have told you, the burden of proof on the part of the defendant is sustained, and you should invalidate the patent for lack of invention.'
>
> 'The questions as to the patent are whether the defendant has satisfied you by a fair preponderance of the testimony that the patent is void for lack of invention.'
>
> "Counsel for plaintiff has failed to point out wherein this charge is erroneous. We do not mean to say that he does not offer any argument in his brief where he has attempted to treat this matter; but, so far as we can see, nothing that he has said has any direct relation to it. Instead of discussing the character of the proof required of a defendant, where noninvention is the defense, he proceeds to discuss the question as though the defense under consideration was anticipation, which it was not. When the objection was taken the court replied:
>
> 'I differentiated, I believe, rather soundly between "invention" and "anticipation." As to anticipation, there is very good reason why the

> proof of that should be practically beyond reasonable doubt. * * *. As to invention, that goes on the preponderance of evidence. * * *."

To paraphrase the District Judge's differentiation in terms of the present patent statutes:

> "As to the facts made relevant by 35 U.S.C. § 102, there is very good reason why the proof of that should be practically beyond reasonable doubt. * * * As to the non-obvious subject matter required by 35 U.S.C. § 103, that goes on the preponderance of evidence. * * *."

The true status of the presumption of validity afforded by 35 U.S.C. § 282 was stated in *Rothe* v. *Ford Motor Company*, 253 F. 2d 353, 355 (D.C. Cir. 1959) thus:

> ". . . Appellee has correctly pointed out that the presumption of validity is hardly more than a procedural device to establish a prima facie case that cannot survive in the face of undisputed facts showing there is no invention."

This view has been confirmed by a recent decision of the Court of Appeals for the Second Circuit, *Gross* v. *Pfaudler Manufacturing Co.*, 314 F. 2d 196 (2 Cir. 1963).

It can hardly be otherwise. The matter which the doctrine of the Court of Appeals for the Fifth Circuit would require petitioner to prove beyond a reasonable doubt is the proposition that the differences between the invention of the patent in suit and the prior art are such that they would have been obvious in 1949 to the man skilled in the off-shore drilling art. This is the issue posed by 35 U.S.C. § 103 and this is an issue which this Court has characterized as one of law. *Mahn* v. *Harwood*, 112 U.S. 354, 358 (1884). It is one

which must be resolved by application of the "standard of invention" by the courts themselves.

In the present case there is no question about the historical accuracy of the anticipatory facts relied upon by petitioner, since most of them were in the form of publications and the others were supported by unchallenged documentary evidence, nor is there any question as to the sufficiency of their dating. The issue before the courts below was simply whether this body of unchallenged evidentiary fact was sufficient to establish the absence of patentable "invention" in the contribution, if any, made to the off-shore drilling art by the patentee.

The Court of Appeals itself correctly stated petitioner's position about "invention" in its Opinion (Appendix, *infra*, pp. 4a-5a), though in so doing it revealed by its choice of words a bias on the subject of petitioner's reliance on *A. & P. Tea Co.* v. *Supermarket Corp.*, 340 U.S. 147 (1950) perpetuating a bias already displayed by it in its opinion in *Jeoffroy Mfg., Inc.* v. *Graham*, *supra*, at pp. 198-199. It may also be that petitioner's reliance on published foreign, in this instance Soviet Russian, art led the Court of Appeals into its error about the burden of proof of the issue of "invention". Whatever its motivation, on this issue, the Court of Appeals, perpetuating an erroneous line of cases in its Circuit, has ruled that the defendant carries the burden of "proof beyond a reasonable doubt". This is an anomalous and erroneous requirement and this Court should restore uniformity to the Circuits and the administration of the patent law by granting petitioner the writ of certiorari it prays for.

Reason 3. There is a further conflict between the decision in this case, which follows other recent decisions of the Court of Appeals for the Fifth Circuit, and decisions of this Court and the other Courts of Appeals establishing the rule governing reversal of a determination of non-infringement by a district court. In these cases the Court of Appeals for the Fifth Circuit has, in conflict with the established rule, reversed specific findings of a trial court, based on conflicting testimony of qualified experts, that certain elements of an accused structure are not technically equivalent to allegedly corresponding elements of a claimed combination, and directed the entry of a finding on the issue of infringement.

This "Reason" is based upon the principal ground that appellee finds it impossible to reconcile the judgment of the Court of Appeals with the exposition of the law in the opinion of this Court in *Graver Mfg. Co.* v. *Linde Co.*, 339 U.S. 605 (1950) at pages 608-610.

The Court of Appeals for the Fifth Circuit has ignored the admonition in the *Graver* case:

> "What constitutes equivalency must be determined against the context of the patent, the prior art, and the particular circumstances of the case." 339 U.S. 605, 609.

in that it must have considered the relation of the claims read in the light of the disclosure of the patent in suit to the prior art on the one hand and to "Mr. Gus II" on the other as a matter of law, or have fallen into the error of reversing the trial court on an issue of sharply contested fact. Yet petitioner is at a loss how such a comparison could have been made without the making of engineering rather than legal judgments.

The Court based its action (Appendix, *supra*, p. 14a) on its prior decision, *Cameron Iron Works* v. *Stekoll*, 242 F. 2d 17, 21 (5 Cir. 1957). That decision will not sustain its reversal of the District Court here. When

examined, the Court of Appeals in *Cameron* correctly did *not* reverse a finding of non-infringement made by a District Court based on the doctrine of equivalents, while, in the same case, it did reverse a like finding no application of that doctrine was involved.

The Court of Appeals for the Fifth Circuit has also ignored the admonition in the *Graver* case:

> "A finding of equivalence is a determination of fact. Proof can be made in any form: through testimony of experts or others versed in the technology; by documents, including texts and treatises; and, of course, by the disclosures of the prior art. Like any other issue of fact, final determination requires a balancing of credibility, persuasiveness and weight of evidence. It is to be decided by the trial court and that court's decision, under general principles of appellate review, should not be disturbed unless clearly erroneous." 339 U.S. 605, 609

in that its Judgment (Appendix, *supra*, pp. 15a-16a) reverses and sets aside Findings of Fact 29-35 (R. 610) without explanation. To paraphrase *Graver*, p. 612, these findings are adequately supported by the record, certainly they are not clearly erroneous. That the Court of Appeals, at least sub-consciously, agrees that it has reversed a finding of fact is clear from its remand to the District Court as stated in that Judgment, "for a *finding* of infringement". [Emphasis added.]

CONCLUSION

For the foregoing reasons, this Petition for Writ of Certiorari should be GRANTED.

Respectfully submitted,

W. Brown Morton, Jr.
Stanton T. Lawrence, Jr.,
Counsel for Petitioner